

## Minutes

**Meeting:** FCA Board

**Date of Meeting:** 28 September 2023

**Start time:** 09:00

**Venue:** Meeting held in Boardroom and via Microsoft Teams

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**Members Present:** Ashley Alder (Chair)      Liam Coleman  
Aidene Walsh      Nikhil Rathi  
Alice Maynard      Richard Lloyd  
Bernadette Conroy      Sam Woods  
Sophie Hutcherson

**In attendance:** Set out in Annex A

**Presenters:** Set out in Annex A

**Apologies:** Therese Chambers  
Sheree Howard

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### 1 Declarations of interest

- 1.1 The meeting noted there was a quorum present and proceeded to business.
  - 1.2 Mr Woods noted that, as CEO of the PRA, he had an interest in item 10.3 (MoU with the Bank of England exercising its prudential regulation functions). No interests were declared in the items to be discussed.
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## **2 Reports from the Chairs of Board Committees**

- 2.1 The Board **noted** the report from the Chair of the Policy and Rules Committee meetings held on 26 July 2023 and 7 September 2023. The Board emphasised that it expects the Executive to carry out the “Tranche 3” work of the “Smarter Regulatory Framework” to a sensible, measured timetable, to make the right long-term decisions.
- 2.2 The Board **noted** the report from the Chair of the Audit Committee meeting held on 14 September 2023. The Chair of the Audit Committee confirmed he was actively engaging with the NAO regarding their management letter, and the Board supported his approach. The Board agreed that it should be sighted on the NAO’s value-for-money work in October as it develops.
- 2.3 The Board **noted** the report from the Chair of the Risk Committee meeting held on 14 September 2023 and the assurances provided.
- 2.4 The Board **noted** the verbal update from the Chair of the People Committee meeting held on 21 September 2023.

## **3 Report from the PRA**

- 3.1 Mr Woods briefed the Board on the business of the PRA that was of relevance to the FCA.

## **4 Report from the PSR**

- 4.1 Ms Walsh briefed the Board on the business of the PSR that was of relevance to the FCA.

## **5 Report from the Chief Executive**

- 5.1 Mr Rathi briefed the Board on a number of topical issues, including:
  - A. The agreement of the enhanced Staff Consultative Committee (SCC) terms of reference, with the inclusion of seats on the SCC for trade union representatives.

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- B. The FCA's success in reaching its gender target for its Senior Leadership Team (approximately the top 150 colleagues), of gender parity (50%). Focus remains on improving diversity in middle management cohorts.
  - C. The FCA's report into de-banking and interactions with HM Treasury.
  - D. International engagement, including recent and forthcoming overseas trips, and the appointment of Sarah Pritchard to Co-Chair the FSB's work on leverage.
  - E. His proposed speech on financial inclusion, to ensure stakeholders understand the FCA's role and the work it is doing.
  - F. His proposed Mansion House speech "collaborate to compete: why we must all embrace a growth mindset", noting there had been intensive engagement on capital markets reforms and that the Board could anticipate making decisions in December on proposed rules.

## 6 CI Strategy 2 – year update & CI Vision

- 6.1 The Board **discussed** the CI strategy 2-year update and the CI Vision. The presenting team explained that the objective of this work was to improve people's abilities to go on an 'investment journey' that was best for them. The Board:
- A. Commented on the communications strategy for the work. The original strategy had set out specific target metrics (such as a target percentage of certain consumers holding more than £10,000 in cash). Under the new proposed strategy, the FCA will not set specific targets (as the outcomes it wants to achieve) but will instead report on the trends in relevant metrics. For example, it will report on the trend in investors' holdings of cash, which is more helpful in tracking the impact of FCA actions over time. The Board asked that any trend data needs to be marked from a clear and consistent "baseline" or starting point.
  - B. Noted the importance of making it very clear how the "CI vision" drives and anchors various activities and projects, such as the Advice-Guidance Boundary Review.
  - C. Commented on the way the CI Vision should be articulated including how it drives policy proposals.

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- 6.2 The Board **approved** publishing the final CI strategy update and vision concurrently, alongside the Advice Guidance Boundary Review discussion paper, providing amendments are made to reflect the comments above.
- 6.3 The Board was **content** that the CI strategy outcomes should be reported through the FCA's Annual Report, rather than reported separately.

## **7 LTAFs and Access to the Financial Services Compensation Scheme: Next steps following Consultation in PS23/7**

- 7.1 The Board **discussed** the consultation on excluding Financial Services Compensation Scheme (FSCS) cover specifically for regulated activities relating to LTAFs.
- 7.2 The Board were **content** with ExCo's decision not to take forward a more detailed consultation to exclude Financial Services Compensation Scheme (FSCS) cover specifically for regulated activities relating to LTAFs at this stage.

## **8 Finance Report**

### Amazon Web Services (AWS) Contract & AWS commitment plan

- 8.1 The Board **approved** the following:
- A. The new contract with AWS which is expected to be over 4 years. The Board was informed that this was an estimated range of the contract value, and not a commitment to spend.
  - B. An upfront commitment would be needed to benefit from the free enterprise support.

The Board **noted** the following:

- A. The contract will be direct awarded to AWS via the G-cloud platform (Government Deployment Programme), and the associated risk. The Board was assured that Procurement, legal and project teams have fully investigated all options when re-contracting with AWS and this is the preferred option to re-contract.

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Request to increase contract spend – resource solutions contract [TEN-16-081: Recruitment services]

- 8.2 The Board **discussed** the use of contractors within the organisation.
- 8.3 The Board **approved** extending the value of the Resource Solutions contract.

**9 Rules, Guidance and Technical Standards to be determined:**

- 9.1 The Board **resolved** to make the following instruments:
- A. Multi-Occupancy Building Insurance Disclosure and other Non-Investment Insurance Contracts Related Amendments Instrument 2023
  - B. Investment Firms Prudential Regime (Amendment) Instrument 2023
  - C. Technical Standards (Markets in Financial Instruments Transparency) (No 2) Instrument 2023
  - D. Handbook Administration (No 67) Instrument 2023
- 9.2 In relation to 9.1A, the Board asked that the FCA be mindful of any potential “unintended consequences” in the market

**10 Decisions of the Board**

Independent Panel appointments

- 10.1 The Board **approved** the following Panel appointments:
- A. To Appoint Virginia Khoo as Deputy Chair of the Listing Authority Advisory Panel from 1 October 2023 to 30 September 2026
  - B. To Appoint Amanda Thomas as Deputy Chair of the Listing Authority Advisory Panel from 1 October 2023 to 31 May 2025
  - C. To Reappoint James Taylor as a member of the Listing Authority Advisory Panel from 1 October 2023 to 30 September 2026

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- D. To Reappoint Mark Austin as a member of the FCA Markets Practitioner Panel from 1 October 2023 to 30 November 2024
  - E. To Appoint Nasreen Kasenally as a member of the FCA Practitioner Panel from 1 October 2023 to 30 September 2026
  - F. To Reappoint Will Self as a member and Deputy Chair of the FCA Smaller Business Practitioner Panel from 1 October 2023 to 30 September 2026
  - G. To Reappoint David Perry as a member of the FCA Smaller Business Practitioner Panel from 1 October 2023 to 30 September 2026
  - H. To Reappoint Gordon Dewar as a member of the FCA Smaller Business Practitioner Panel from 1 October 2023 to 30 September 2026
  - I. To Reappoint Devesh Ambasna as a member of the FCA Smaller Business Practitioner Panel from 1 November 2023 to 31 October 2026

Updating our MOU with the Bank of England (exercising its prudential regulation functions)

Mr Woods did not participate in this decision.

- 10.2 The Board **approved** delegation to the CEO to approve final wording around the communication between FCA/PRA CEOs.
- 10.3 The Board **approved** making changes to the MOU with the PRA, in particular, in relation to the following:
  - A. the FCA's and PRA's new secondary competitiveness and growth objective
  - B. rule review obligations
  - C. the Designated Activities Regime
  - D. international organisations
  - E. cooperation on the Regulatory Initiatives Grid
  - F. half-yearly meetings on maintaining the MOU

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G. updating text on supervision of with profits policies

H. transfer of Retained EU Law into our rulebooks

Debt packagers commission ban - Judicial Review

10.4 The Board **decided** the following:

A. To continue to defend the judicial review relating to the FCA's ban on Debt Packagers receiving commission.

B. Not to suspend the ban whilst the judicial review is proceeding.

CDC Appointment

10.5 The Board **noted** a verbal update on the CDC appointment process and agreed on the final list of CDC appointments

**11 Papers for noting**

11.1 The Board noted the following:

Independent Panels Monthly Reports

11.2 The Board **noted** the Independent Panels Monthly Reports.

Written Procedures

11.3 The Board **noted** the decisions taken by written procedure since the July 2023 Board meeting, including:

A. Appointment of a Non-Executive Director of the PSR;

B. Approval of the Board minutes of 27 July;

C. Approval of Senior Management, Systems and Controls (Remuneration Codes) (No 9) Instrument 2023 with an effective date of 31 October 2023.

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FRF File transfers and divergence

- 11.4 The Board **noted** the update on the approach to assessing divergence when transferring rules from the retained EU law to rulebooks

There being no further business the meeting closed.



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## **Annex A: Attendees, presenters and observers**

### **In attendance:**

Emily Shepperd – Executive Director, Authorisations  
Jessica Rusu – Executive Director, Chief Data, Information and Intelligence Officer  
Sarah Pritchard – Executive Director, Markets  
Sheldon Mills – Executive Director, Consumers and Competition  
Stephen Braviner Roman – Executive Director, General Counsel  
Miles Bake – Director, Company Secretary  
Graeme McLean – Head of Department, Chief Executive Office  
Dave Eaton – Manager, Chair’s Office

### **Presenters and observers:**

<b>Item 1 - Declarations of interest</b>	No attendees
<b>Item 2 – Reports from Chairs of Board Committees</b>	No attendees
<b>Item 3 - Report from the PRA</b>	No attendees
<b>Item 4 – Report from the PSR</b>	No attendees
<b>Item 5 - Report from the Chief Executive</b>	No attendees
<b>Item 6 - CI Strategy 2-year update &amp; CI Vision</b>	Kate Blatchford-Hick – Head of Department Vera Markos - Manager
<b>Item 7 - LTAFs and Access to the Financial Services Compensation Scheme: Next steps following Consultation in PS23/7</b>	Greg Sachrajda – Director Charlie Gluckman – Head of Department
<b>Item 8 - Finance Report</b>	Craig Chapman – Director
<b>Item 9 - Rules, Guidance and Technical Standards</b>	No attendees
<b>Item 10 – Decisions of the Board</b>	No attendees
<b>Item 11 – Papers for noting</b>	No attendees